

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF MISSISSIPPI  
SOUTHERN DIVISION

JAMES ALDRIDGE, RELATOR  
for and on behalf of THE UNITED  
STATES OF AMERICA

PLAINTIFFS

V.

CIVIL ACTION NO. 1:16-CV-369-HTW-LRA

CORPORATE MANAGEMENT, INC.;  
STONE COUNTY HOSPITAL, INC.;  
TED CAIN; JULIE CAIN;  
and THOMAS KULUZ

DEFENDANTS

AMENDED JUDGMENT

On March 12, 2020, a jury in this matter unanimously found Defendants Harold “Ted” Cain, Julie Cain, Thomas “Tommy” Kuluz, Corporate Management, Inc. (CMI), and Stone County Hospital, Inc. liable under the False Claims Act.<sup>1</sup> Dkt. 383. On May 10, 2020, the Court entered Judgment against Defendants Ted Cain, Julie Cain, Tommy Kuluz, CMI and Stone County Hospital for false claims for Medicare cost years 2004-2015. Dkt. 409.

Defendants appealed the Court’s judgment. After briefing and argument, the Fifth Circuit Court of Appeals applied the statute of limitations “to bar the Government’s claims against

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<sup>1</sup> The jury also unanimously found Ted Cain, Julie Cain and Corporate Management, Inc. liable for unjust enrichment and Stone County Hospital, Inc. liable for payment by mistake of fact. Dkt. 383. The Court will not enter judgment on those claims, because they are subsumed in the False Claims Act verdict. The Court’s original judgment held those claims in abeyance until an appellate ruling. Dkt. 409 n.1.

Appellants accruing before September 2009" and denied all other grounds of appeal,<sup>2</sup> thereby upholding the jury's findings of fraud. The Fifth Circuit directed this Court to enter judgment in accordance with its written opinion.

**IT IS THEREFORE ORDERED AND ADJUDGED**, consistent with the Jury's verdict of March 12, 2020, and this Court's Original Judgment of May 10, 2020 (Dkt. 409), and the Fifth Circuit Court of Appeal's directive that judgment is entered in this matter as follows:

Defendant Ted Cain is liable to the United States in the amount of \$14,173,316 in damages and \$44,181 in penalties under the False Claims Act.

Defendant Julie Cain is liable to the United States in the amount of \$9,806,754 in damages and \$44,181 in penalties under the False Claims Act.

Defendant Thomas Kuluz is liable to the United States in the amount of \$14,173,316 in damages and \$44,181 in penalties under the False Claims Act.

Defendant Corporate Management, Inc. is liable to the United States in the amount of \$14,173,316 in damages and \$44,181 in penalties under the False Claims Act.

Defendant Stone County Hospital is liable to the United States in the amount of \$13,771,485 in damages and \$44,181 in penalties under the False Claims Act.

**IT IS FURTHER ORDERED AND ADJUDGED** that each defendant shall be jointly and severally liable for the amounts above up to their respective liability.

**IT IS ALSO FURTHER ORDERED AND ADJUDGED** that each defendant shall be liable to the United States for post-judgment interest at the legal rate set by 28 U.S.C. § 1961 until the above amounts are paid in full.

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<sup>2</sup> The Fifth Circuit consolidated the appeal with Defendants' appeal from this Court's Order enforcing its Judgment Injunction. Dkt. 557. The Fifth Circuit dismissed the appeal of the Enforcement Order for lack of jurisdiction.

The Court continues its Order forbidding the defendants from transferring, dissipating, selling or disposing of any of their assets or assets under their control or management in accordance with all prior orders of this Court.

**SO ORDERED AND ADJUDGED**, this the 29<sup>th</sup> day of February, 2024.

Henry E. Kingate  
UNITED STATES DISTRICT JUDGE